

# FY2017 Financial Results

LEXUS LS500

(North American International  
Auto Show 2017 exhibition car)

Toyota Motor Corporation  
May 10, 2017

## Cautionary Statement with Respect to Forward-Looking Statements

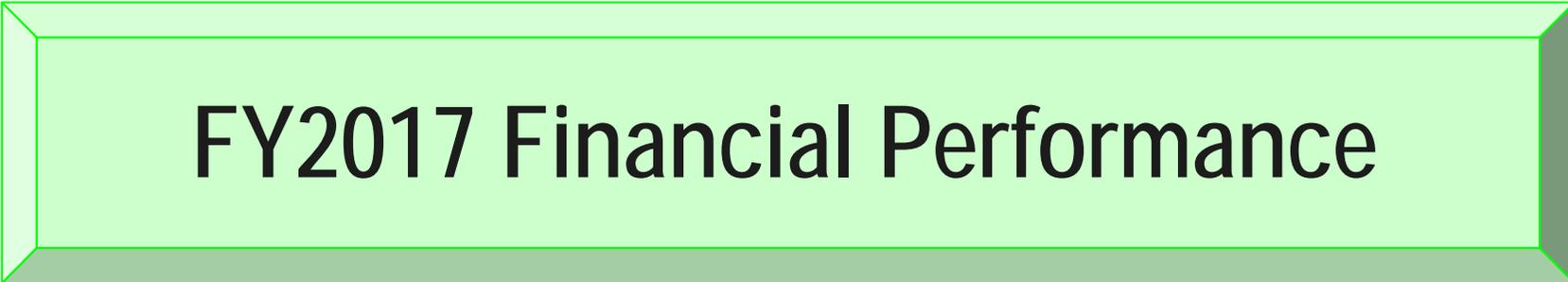
This presentation contains forward-looking statements that reflect Toyota's plans and expectations. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause Toyota's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. These factors include, but are not limited to: (i) changes in economic conditions, market demand, and the competitive environment affecting the automotive markets in Japan, North America, Europe, Asia and other markets in which Toyota operates; (ii) fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar, the euro, the Australian dollar, the Russian ruble, the Canadian dollar and the British pound, and interest rates fluctuations; (iii) changes in funding environment in financial markets and increased competition in the financial services industry; (iv) Toyota's ability to market and distribute effectively; (v) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (vi) changes in the laws, regulations and government policies in the markets in which Toyota operates that affect Toyota's automotive operations, particularly laws, regulations and government policies relating to vehicle safety including remedial measures such as recalls, trade, environmental protection, vehicle emissions and vehicle fuel economy, as well as changes in laws, regulations and government policies that affect Toyota's other operations, including the outcome of current and future litigation and other legal proceedings, government proceedings and investigations; (vii) political and economic instability in the markets in which Toyota operates; (viii) Toyota's ability to timely develop and achieve market acceptance of new products that meet customer demand; (ix) any damage to Toyota's brand image; (x) Toyota's reliance on various suppliers for the provision of supplies; (xi) increases in prices of raw materials; (xii) Toyota's reliance on various digital and information technologies; (xiii) fuel shortages or interruptions in electricity, transportation systems, labor strikes, work stoppages or other interruptions to, or difficulties in, the employment of labor in the major markets where Toyota purchases materials, components and supplies for the production of its products or where its products are produced, distributed or sold; and (xiv) the impact of natural calamities including the negative effect on Toyota's vehicle production and sales.

A discussion of these and other factors which may affect Toyota's actual results, performance, achievements or financial position is contained in Toyota's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.

# Caution concerning Insider Trading

Under Japanese securities laws and regulations (the "Regulations"), subject to certain exceptions, any person who receives certain material information relating to the business, etc. of Toyota which may be contained in this document is prohibited from trading in Toyota's shares or certain other transactions related to such shares (as set forth in the Regulations) until such material information is deemed to be made public. Under the Regulations, material information is deemed to be made public when (i) such material information is notified to a stock exchange and is disclosed by ways of electromagnetic means as prescribed by the ordinance of the Cabinet Office (posting on the TDnet (Timely Disclosure Network) information service ) or (ii) twelve (12) hours have elapsed since a listed company, such as Toyota, disclosed such material information to at least two (2) media sources as prescribed by the Regulations.

# FY2017 Financial Results

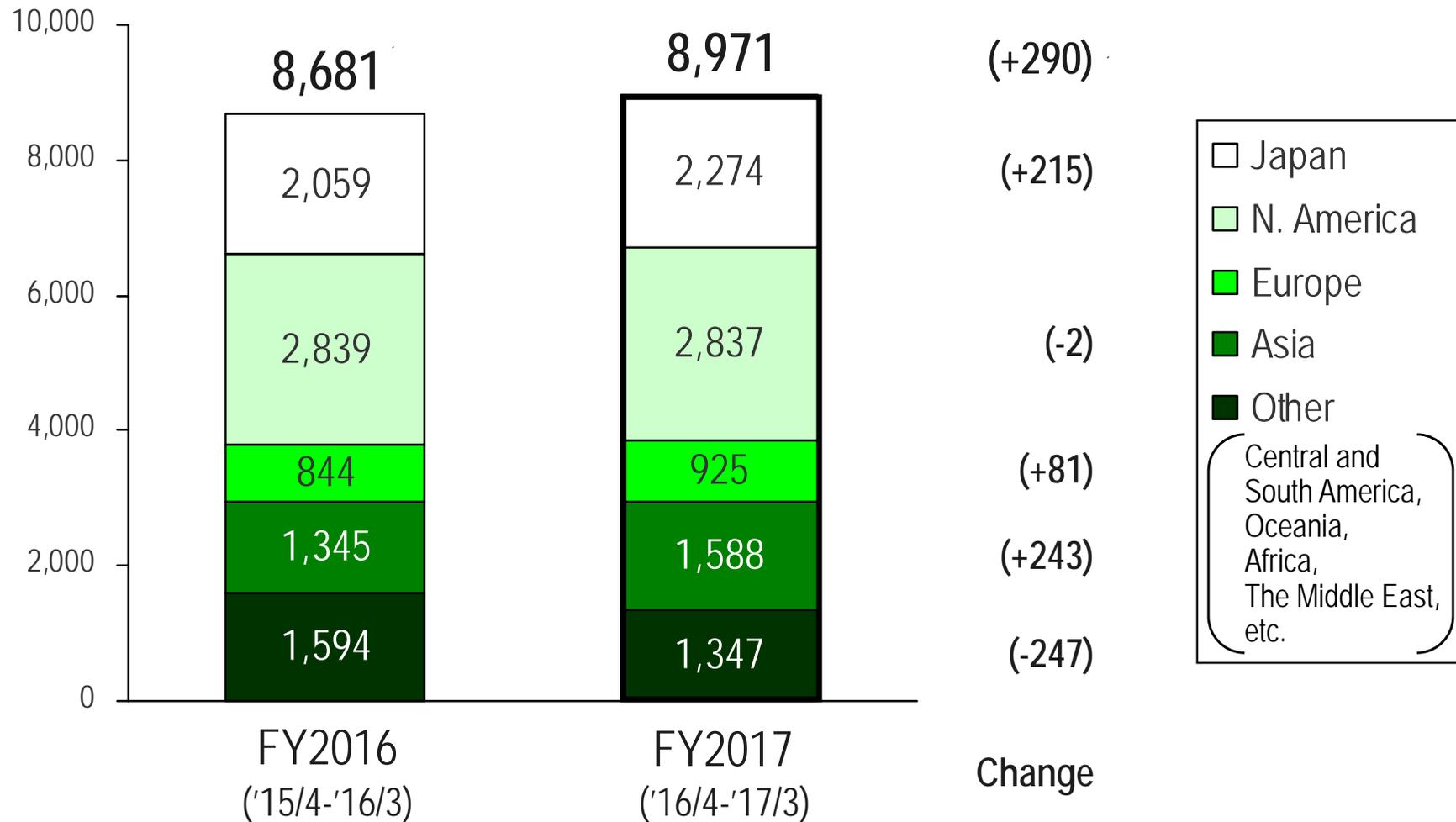


**FY2017 Financial Performance**

FY2018 Financial Forecasts

# Consolidated Vehicle Sales

(thousands of vehicles)



|                            |        |        |      |
|----------------------------|--------|--------|------|
| Total retail vehicle sales | 10,094 | 10,251 | +157 |
|----------------------------|--------|--------|------|

# Consolidated Financial Summary

(billions of yen)

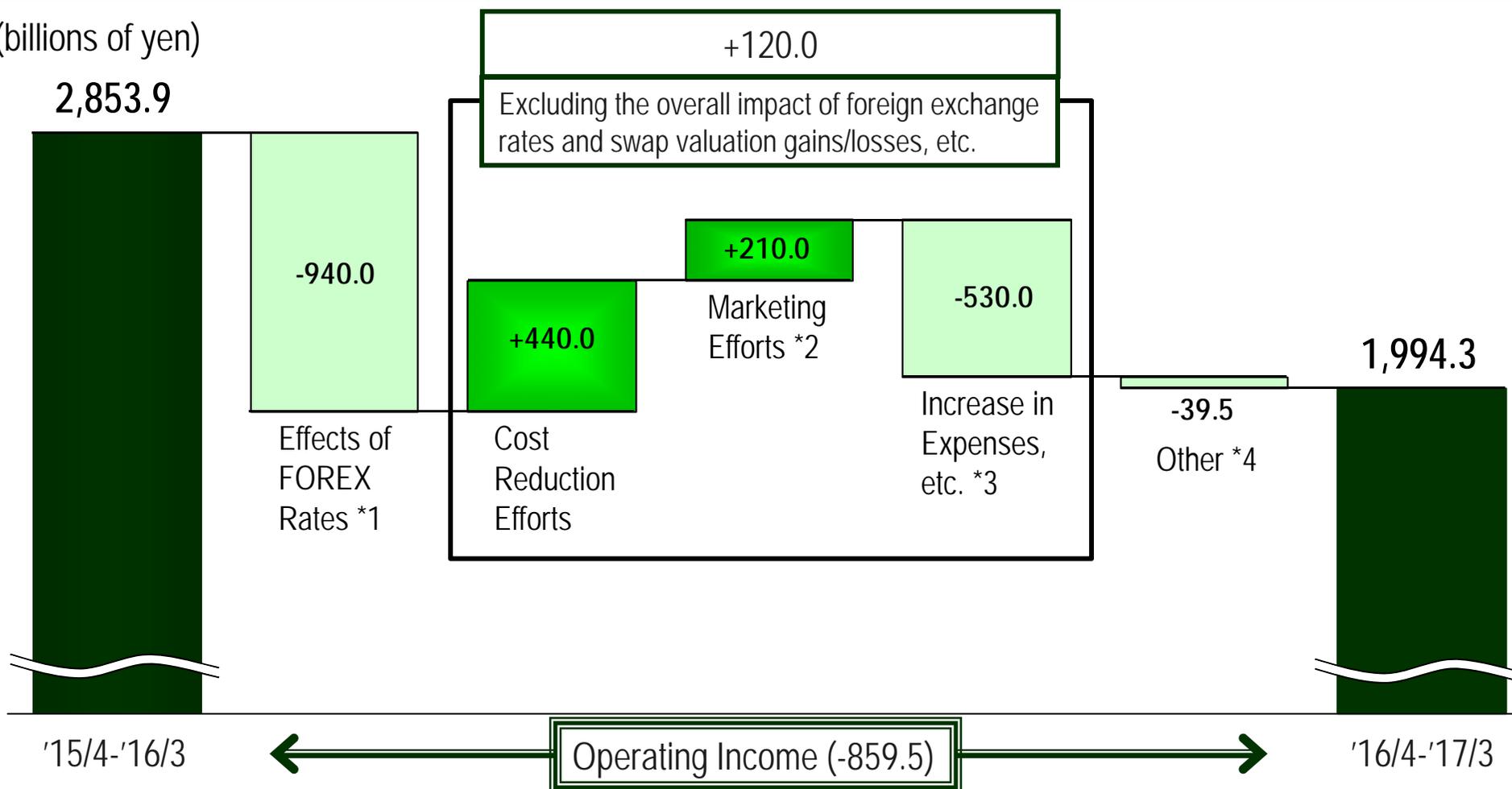
|   | FY2017<br>( <sup>16</sup> / <sub>4</sub> - <sup>17</sup> / <sub>3</sub> ) | FY2016<br>( <sup>15</sup> / <sub>4</sub> - <sup>16</sup> / <sub>3</sub> ) | Change      |         |   |
|---|---|---|-------------|---------|---|
| <b>Net Revenues</b>   | 27,597.1  | 28,403.1  | -805.9      | -2.8%   |   |
| <b>Operating Income</b>   | 1,994.3   | 2,853.9   | -859.5      | -30.1%  |   |
| Operating margin  | 7.2%  | 10.0%   | -           | -       |   |
| Income before income taxes and equity in earnings of affiliated companies | 2,193.8   | 2,983.3   | -789.5      | -26.5%  |   |
| <b>Net Income<sup>*1</sup></b>  | 1,831.1   | 2,312.6   | -481.5      | -20.8%  |   |
| Net margin <sup>*1</sup>  | 6.6%  | 8.1%  | -           | -       |   |
| Net income per share <sup>*2</sup><br>(diluted)                           | 599.22 yen  | 735.36 yen  | -136.14 yen | -       |   |
| FOREX   | US\$  | 108 yen   | 120 yen     | -12 yen | - |
| Rates   | €   | 119 yen   | 133 yen     | -14 yen | - |

\*1 Net Income attributable to Toyota Motor Corporation

\*2 Net Income attributable to common shareholders

# Analysis of Consolidated Operating Income

(billions of yen)

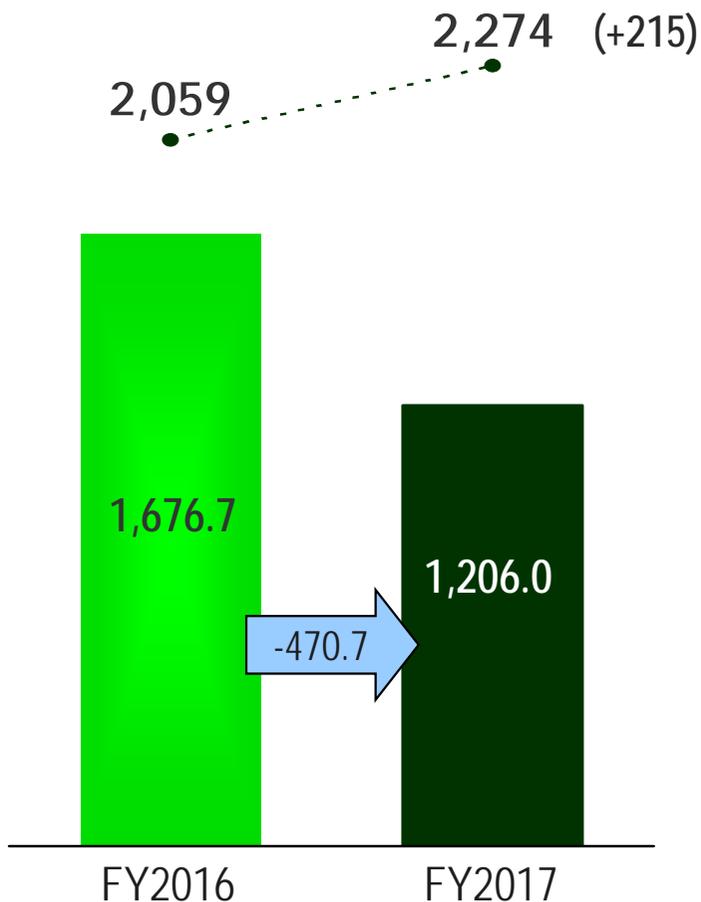


| *1. Details                       |        | *2. Details   |        | *3. Details        |        | *4. Details                             |        |
|-----------------------------------|--------|---|--------|--------------------|--------|---|--------|
| Transactional (Imports & Exports) | -780.0 | Translational FOREX impact concerning overseas subsidiaries                                       | -130.0 | Volume, Model Mix  | +195.0 | Labor Costs                             | -80.0  |
| US\$                              | -475.0 |   |        | Financial Services | -50.0  | Depreciation                            | -50.0  |
| €                                 | -75.0  | Other   | -30.0  | Other              | +65.0  | R&D Expenses                            | +15.0  |
| Other                             | -230.0 | (Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.) |        |                    |        | Expenses, etc.                          | -415.0 |
|                                   |        |   |        |                    |        | Valuation Gains/Losses from Swaps, etc. | -39.5  |

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

# Geographic Operating Income : Japan

- Operating Income (billions of yen) \*
- Consolidated Vehicle Sales (thousands of vehicles)
- \* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



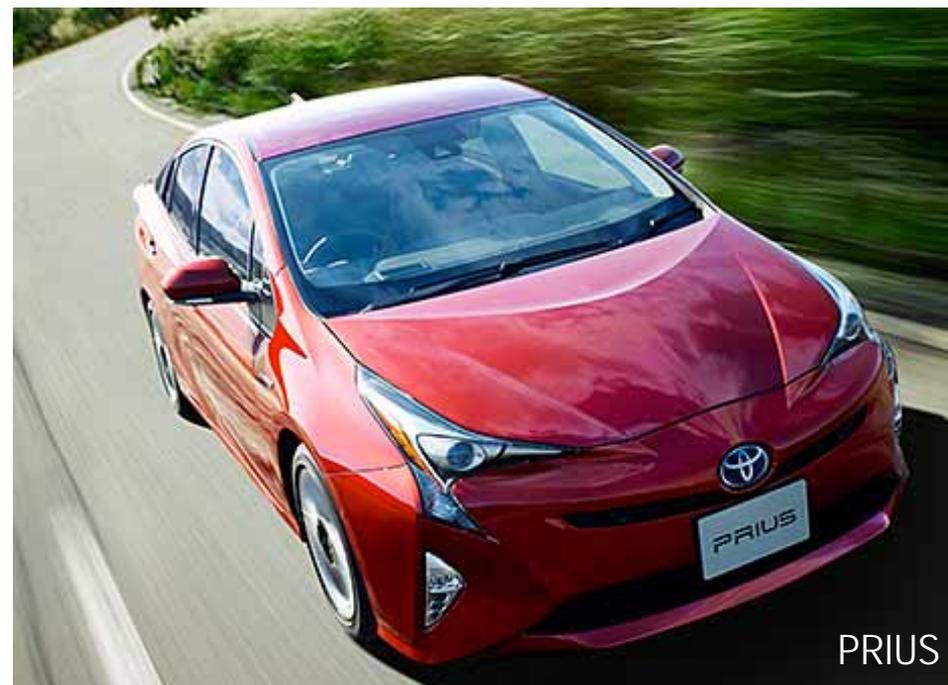
## Operating Income\*

1,206.0 billion yen (-470.7 billion yen year on year)

Declined due to the effect of FOREX rates and an increase in expenses, despite cost reduction efforts and vehicle sales growth.

|                         | FY2016 | FY2017 |
|-------------------------|--------|--------|
| Operating Income Margin | 11.4%  | 8.1%   |

|  |         |         |
|--|---------|---------|
| Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen) | 1,677.5 | 1,202.2 |
|--|---------|---------|



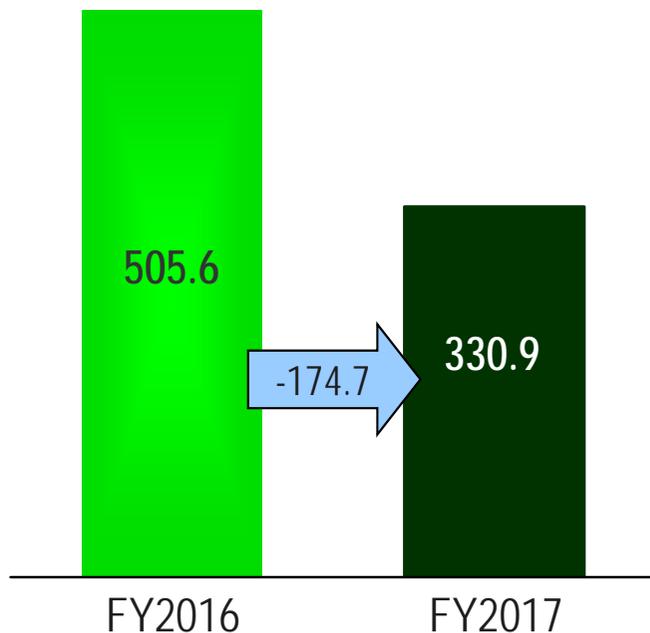
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# Geographic Operating Income : North America

- Operating Income (billions of yen) \*
- Consolidated Vehicle Sales (thousands of vehicles)
- \* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

2,839                      2,837                      (-2)

●-----●



## Operating Income\*

**330.9 billion yen (-174.7 billion yen year on year)**

Decreased mainly as increased marketing and other expenses exceeded the impact of cost reduction efforts.

|                         | FY2016 | FY2017 |
|-------------------------|--------|--------|
| Operating Income Margin | 4.6%   | 3.2%   |

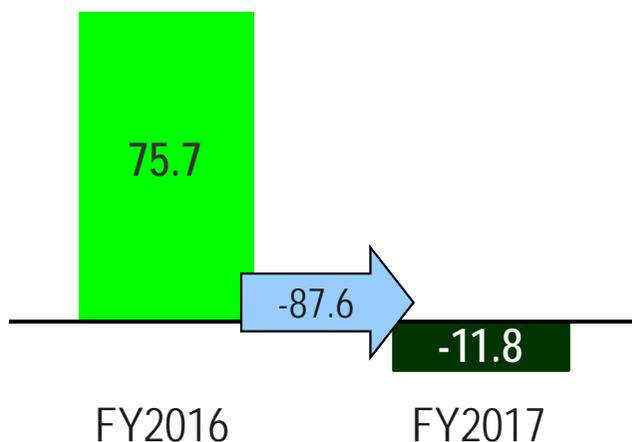
|  |       |       |
|--|-------|-------|
| Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen) | 528.8 | 311.1 |
|--|-------|-------|



LEXUS LC500h

# Geographic Operating Income : Europe

- Operating Income (billions of yen) \*
- - - Consolidated Vehicle Sales (thousands of vehicles)
- \* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



**Operating Income\***  
**-11.8 billion yen (-87.6 billion yen year on year)**

Decreased mostly due to an increase in expenses and the depreciation of local currencies.



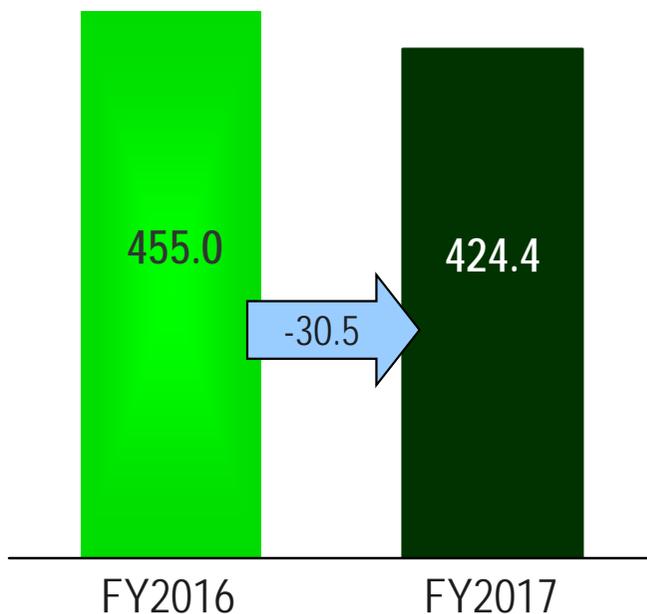
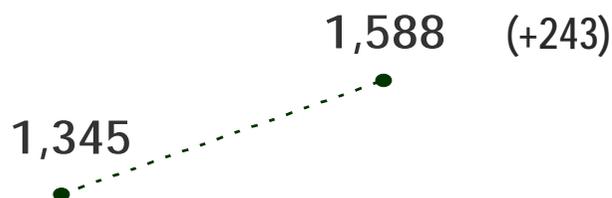
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|                         | FY2016 | FY2017 |
|-------------------------|--------|--------|
| Operating Income Margin | 2.8%   | -0.4%  |

|  |      |       |
|--|------|-------|
| Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen) | 72.4 | -12.2 |
|--|------|-------|

# Geographic Operating Income : Asia

- Operating Income (billions of yen) \*
- Consolidated Vehicle Sales (thousands of vehicles)
- \* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



## Operating Income\*

**424.4 billion yen (-30.5 billion yen year on year)**

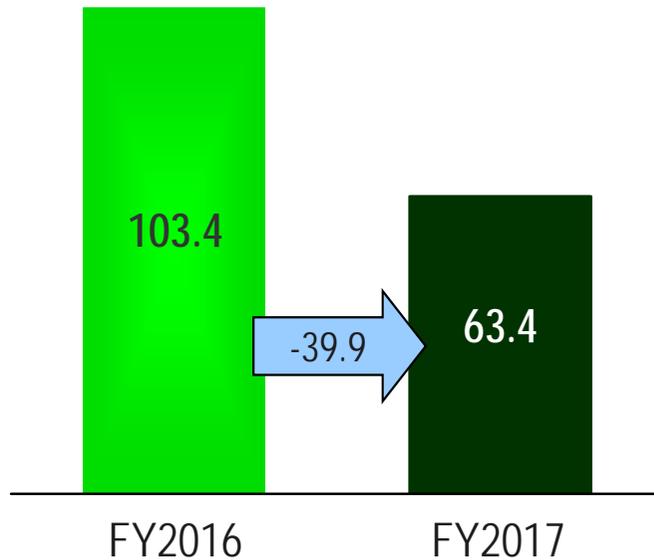
Declined largely due to the effect of FOREX rates and the decreased exports to the Middle East, despite the positive impact of vehicle sales growth and cost reduction efforts.

|  | FY2016 | FY2017 |
|--|--------|--------|
| Operating Income Margin  | 9.1%   | 8.8%   |
| Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen) | 449.1  | 435.1  |



# Geographic Operating Income : Central & South America, Oceania, Africa and The Middle East

- Operating Income (billions of yen) \*
- Consolidated Vehicle Sales (thousands of vehicles)
- \* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



**Operating Income\***  
**63.4 billion yen (-39.9 billion yen year on year)**

Decreased mostly due to the negative impact of increased expenses and FOREX rates exceeding the positive impact of marketing efforts.

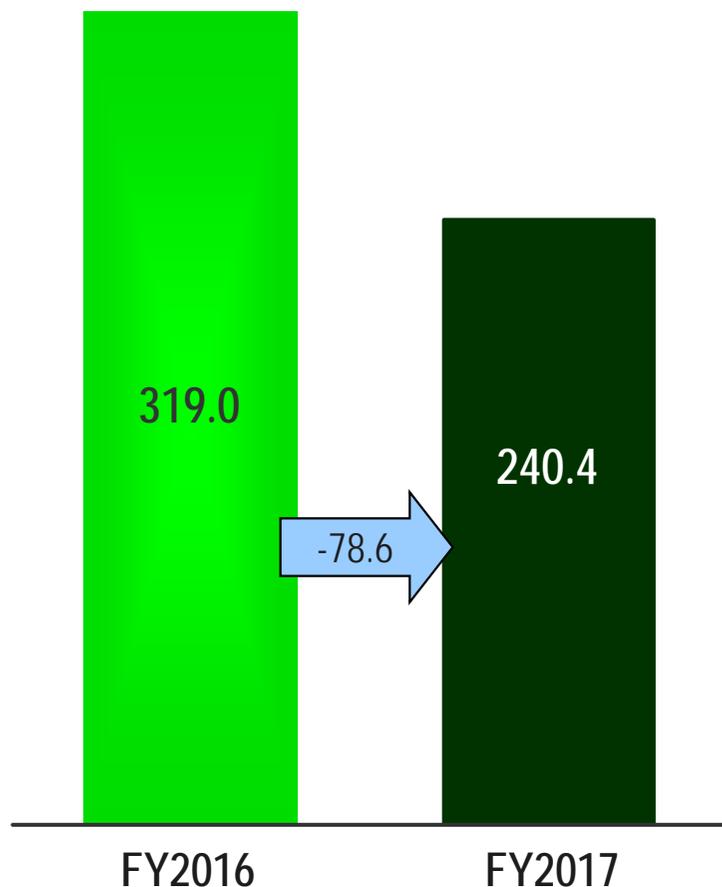
|  |       |      |
|--|-------|------|
| Operating Income Margin  | 4.7%  | 2.9% |
| Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen) | 108.9 | 58.6 |



# Financial Services Operating Income

■ Operating Income (billions of yen) \*

\* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



## Operating Income\*

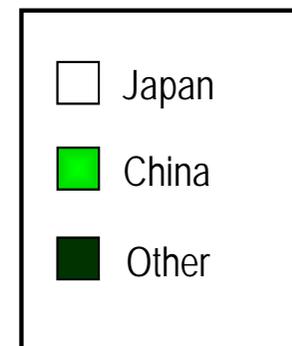
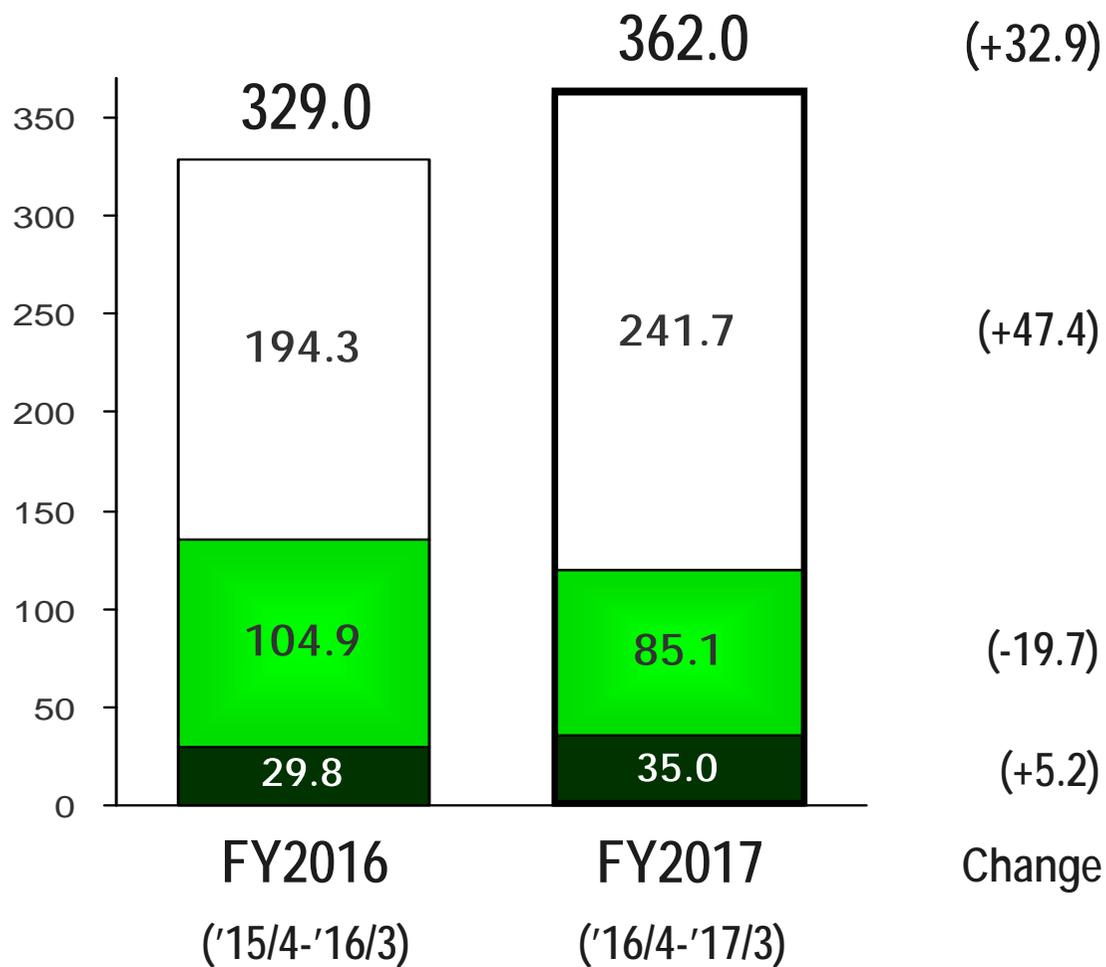
240.4 billion yen (-78.6 billion yen year on year)

Operating income decreased, despite growth in the lending balance, mainly due to increased costs related to residual-value losses following deterioration of the used car prices in North America.

|   | FY2016       | FY2017       | Change       |
|---|--------------|--------------|--------------|
| Operating Income  | 339.2        | 222.4        | -116.7       |
| Valuation Gains/Losses from Interest Rate Swaps, etc.                                   | 20.1         | -18.0        | -38.1        |
| <b>Operating Income Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.</b> | <b>319.0</b> | <b>240.4</b> | <b>-78.6</b> |

# Equity in Earnings of Affiliated Companies

(billions of yen)



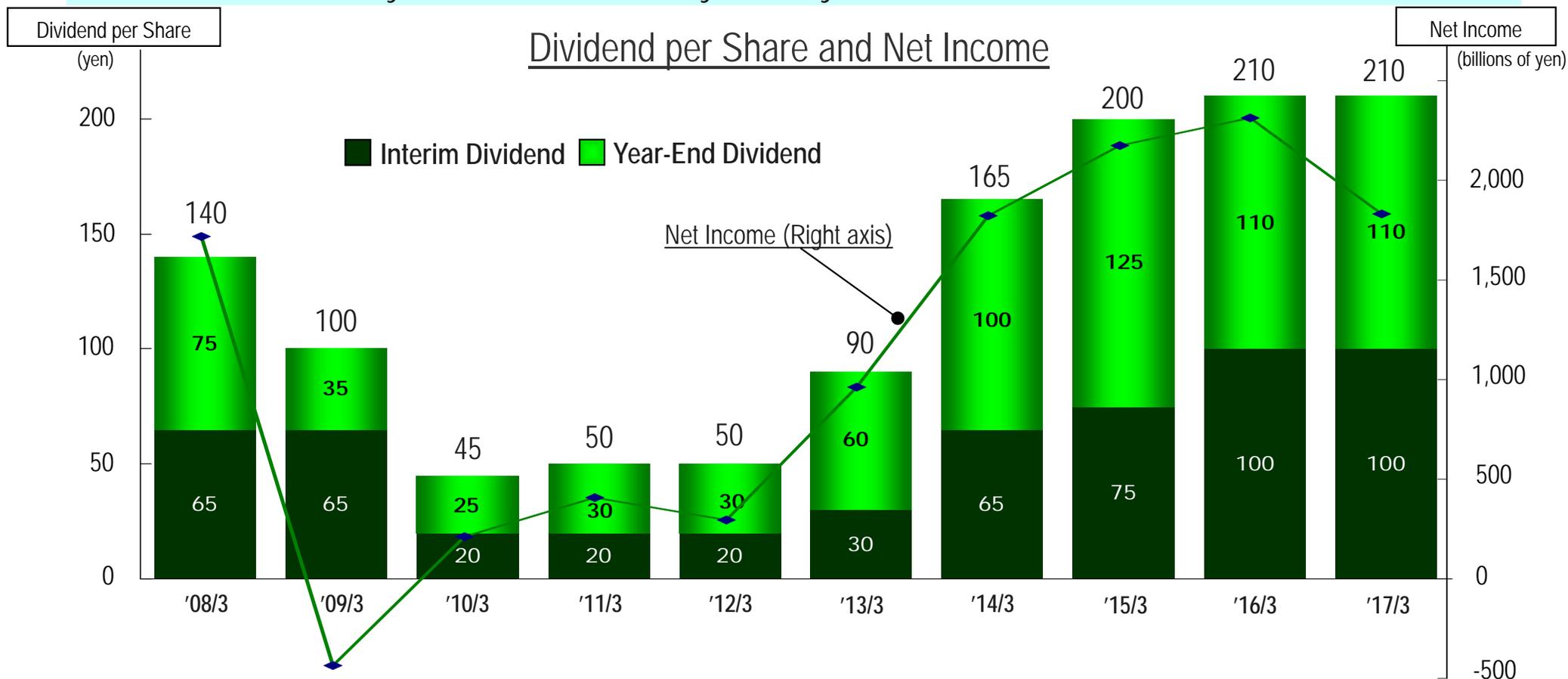
| Retail Sales Results in China |                         |          |
|-------------------------------|-------------------------|----------|
|                               | (thousands of vehicles) |          |
|                               | '15/1-12                | '16/1-12 |
| Retail Sales Volume           | 1,122                   | 1,214    |

# Shareholder Return\*1

Year-end Dividend : 110 yen per common share

Full-Year Dividend : 210 yen per share

Total Amount of Payment : 627.5 billion yen, Payout Ratio\*2 : 34.6%



|   |       |       |       |       |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Amount of Payment (billions of yen) | 443.2 | 313.5 | 141.1 | 156.8 | 157.7 | 285.0 | 522.9 | 631.3 | 645.5 | 627.5 |
| Payout Ratio*2                            | 25.9% | -     | 67.4% | 38.4% | 55.6% | 29.6% | 28.7% | 29.0% | 28.3% | 34.6% |

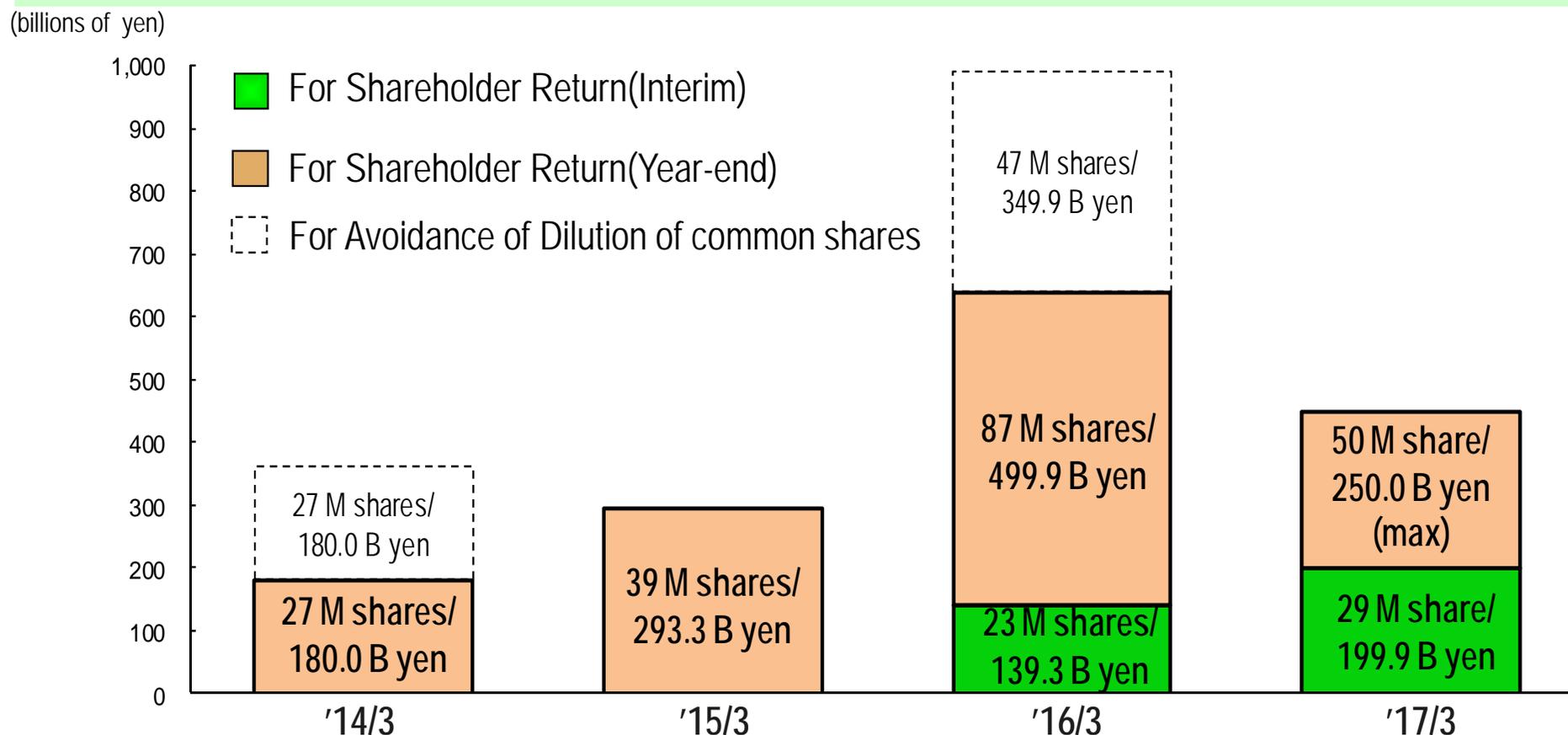
\*1 Dividends on common shares.

\*2 Payout Ratio = (dividend per common share) ÷ (net income attributable to Toyota Motor Corporation per common share)

# Shareholder Return

Share Repurchase (max) : 250.0 billion yen/50 million shares

(Repurchase Program to be implemented from May 17, 2017 to August 31, 2017)



| Share Repurchase * | 27 million shares / 180.0 billion yen | 39 million shares / 293.3 billion yen | 110 million shares / 639.3 billion yen | 79 million shares / 449.9 billion yen (max) |
|--------------------|---------------------------------------|---------------------------------------|--|---|
|--------------------|---------------------------------------|---------------------------------------|--|---|

\* Excluding repurchase made to avoid dilution of common shares.

# Shareholder Return

|                                 |   | FY2017                                   | FY2016                                   |
|---------------------------------|---|--|--|
| Dividend                        | Dividends on Common Shares                      | 627.5 billion yen<br>(210 yen per share) | 645.5 billion yen<br>(210 yen per share) |
|                                 | Dividends on First Series Model AA Class Shares | 4.9 billion yen<br>(105 yen per share)   | 2.4 billion yen<br>(52 yen per share)    |
|                                 | Total Amount of Dividends                       | 632.4 billion yen                        | 647.9 billion yen                        |
| Share Repurchase                |   | 449.9 billion yen (max)                  | 639.3 billion yen                        |
| <b>Total Shareholder Return</b> |   | <b>1,082.4 billion yen (max)</b>         | <b>1,287.2 billion yen</b>               |
| Net Income                      |   | 1,831.1 billion yen                      | 2,312.6 billion yen                      |
| <b>Total Return Ratio*</b>      |   | <b>59.1% (max)</b>                       | <b>55.6%</b>                             |

\* Total Return Ratio = {(dividends on both common shares and the first series Model AA class shares) + (share repurchase for shareholder return)} ÷ (net income attributable to Toyota Motor Corporation)

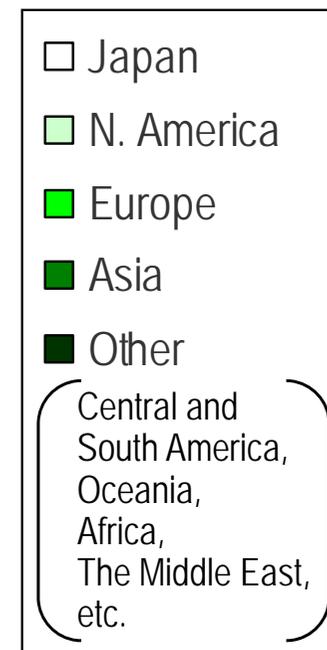
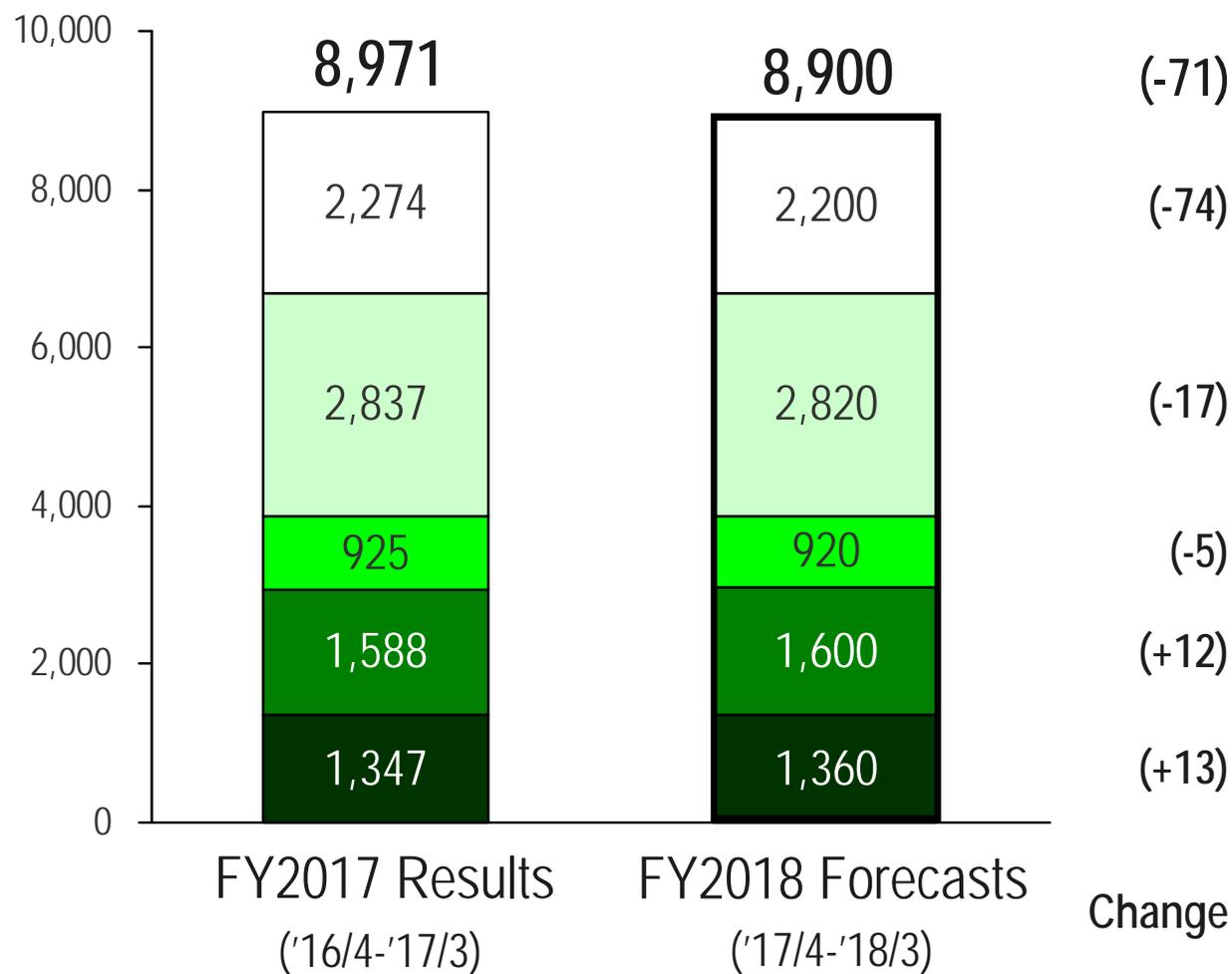
# FY2017 Financial Results

FY2017 Financial Performance

**FY2018 Financial Forecasts**

# FY2018 Forecasts: Consolidated Vehicle Sales

(thousands of vehicles)



|                            |        |        |    |
|----------------------------|--------|--------|----|
| Total retail vehicle sales | 10,251 | 10,250 | -1 |
|----------------------------|--------|--------|----|

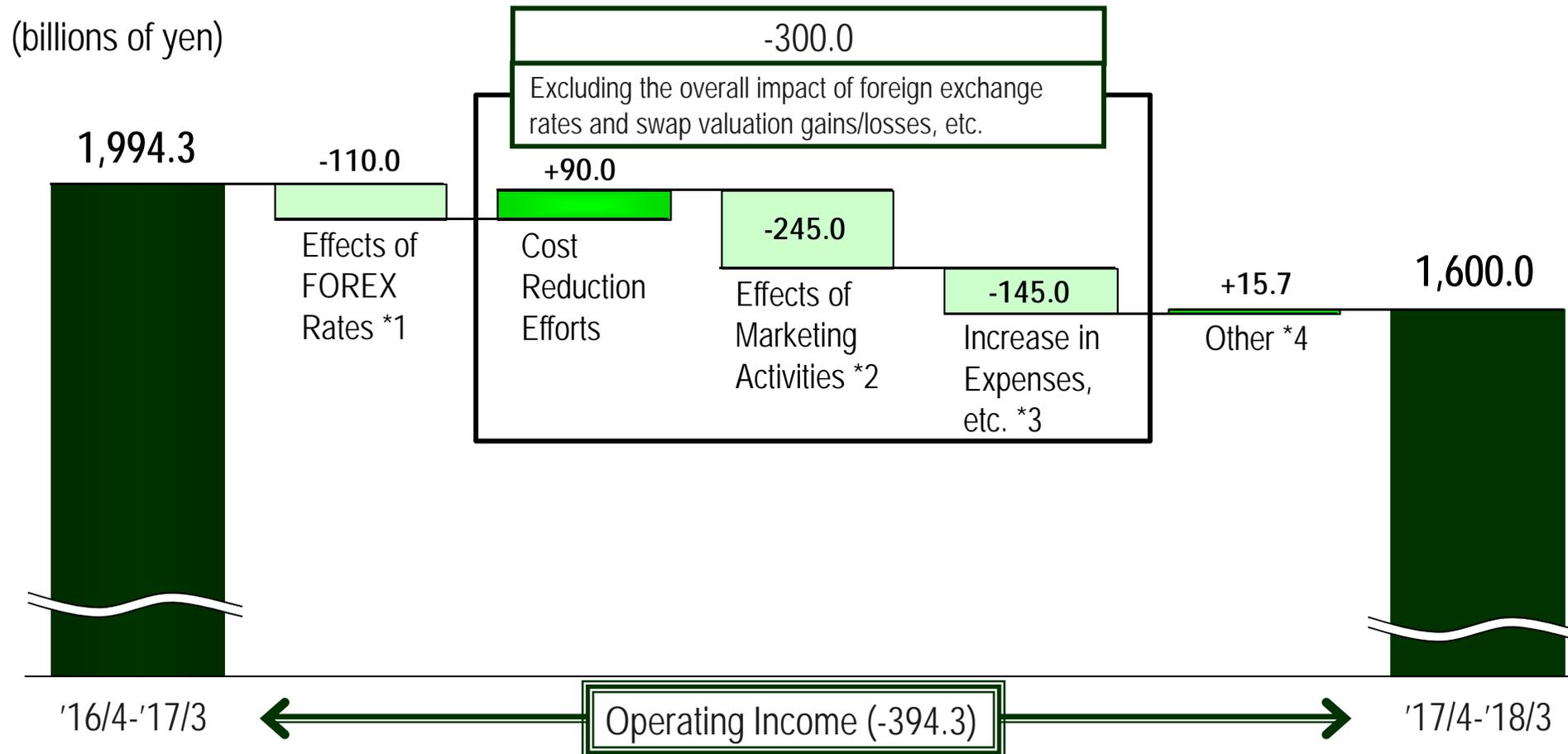
# FY2018 Forecasts: Consolidated Financial Summary

(billions of yen)

|   | FY2018 Forecasts<br>( <sup>'17/4</sup> - <sup>'18/3</sup> ) | FY2017 Results<br>( <sup>'16/4</sup> - <sup>'17/3</sup> ) | Change  |        |
|---|---|---|---------|--------|
| <b>Net Revenues</b>   | 27,500.0  | 27,597.1  | -97.1   |        |
| <b>Operating Income</b>   | 1,600.0   | 1,994.3   | -394.3  |        |
| Operating margin  | 5.8%  | 7.2%  | -       |        |
| Income before income taxes<br>and equity in earnings of<br>affiliated companies | 1,800.0   | 2,193.8   | -393.8  |        |
| Equity in earnings of affiliated<br>companies                                   | 350.0   | 362.0   | -12.0   |        |
| <b>Net Income*</b>  | 1,500.0   | 1,831.1   | -331.1  |        |
| Net margin*   | 5.5%  | 6.6%  | -       |        |
| FOREX   | US\$  | 105 yen   | 108 yen | -3 yen |
| Rates   | €   | 115 yen   | 119 yen | -4 yen |

\* Net Income attributable to Toyota Motor Corporation

# Analysis of FY2018 Forecasts: Consolidated Operating Income

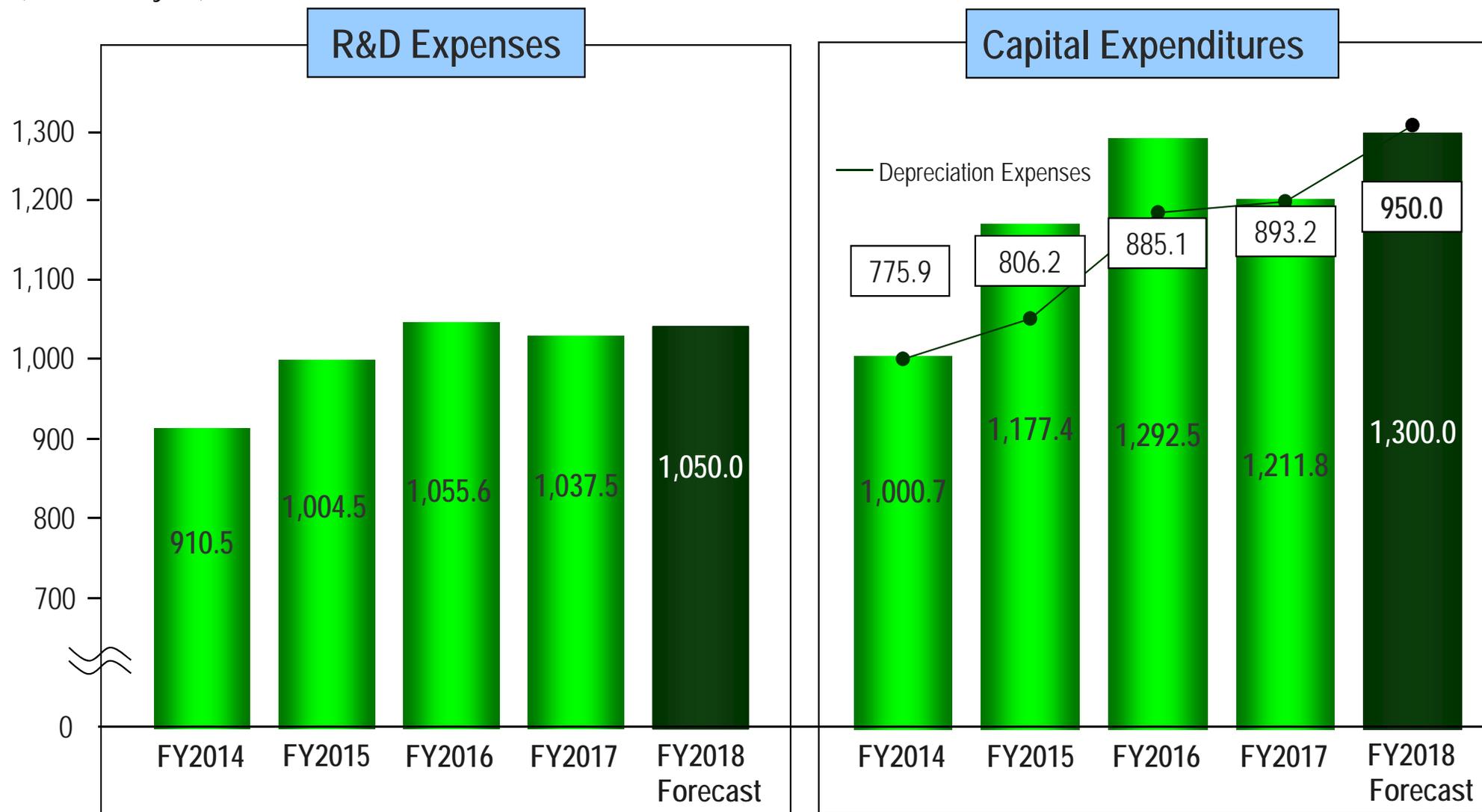


| *1. Details                       |        | *2. Details   |        | *3. Details    |       | *4. Details                             |       |
|-----------------------------------|--------|---|--------|----------------|-------|---|-------|
| Transactional (Imports & Exports) | -170.0 | Volume, Model Mix   | -80.0  | Labor Costs    | -35.0 | Valuation Gains/Losses from Swaps, etc. | +15.7 |
| US\$                              | -135.0 | Financial Services  | -35.0  | Depreciation   | -55.0 |   |       |
| €                                 | -20.0  | Other   | -130.0 | R&D Expenses   | -20.0 |   |       |
| Other                             | -15.0  |   |        | Expenses, etc. | -35.0 |   |       |
|                                   |        | Translational FOREX impact concerning overseas subsidiaries   | ±0     |                |       |   |       |
|                                   |        | Other (Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.) | +60.0  |                |       |   |       |

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

# FY2018 Consolidated Forecasts: R&D, CAPEX, Depreciation

(billions of yen)



Change from FY2017:

R&D Expenses +12.5 billion yen    Capital Expenditures +88.2 billion yen    Depreciation Expenses +56.8 billion yen

# FY2017 Financial Results



Toyota Camry  
(North American International  
Auto Show 2017 exhibition car)

Toyota Motor Corporation  
May 10, 2017

(Reference)

## FY2018 Forecasts: Vehicle Production and Retail Sales

(thousands of vehicles)

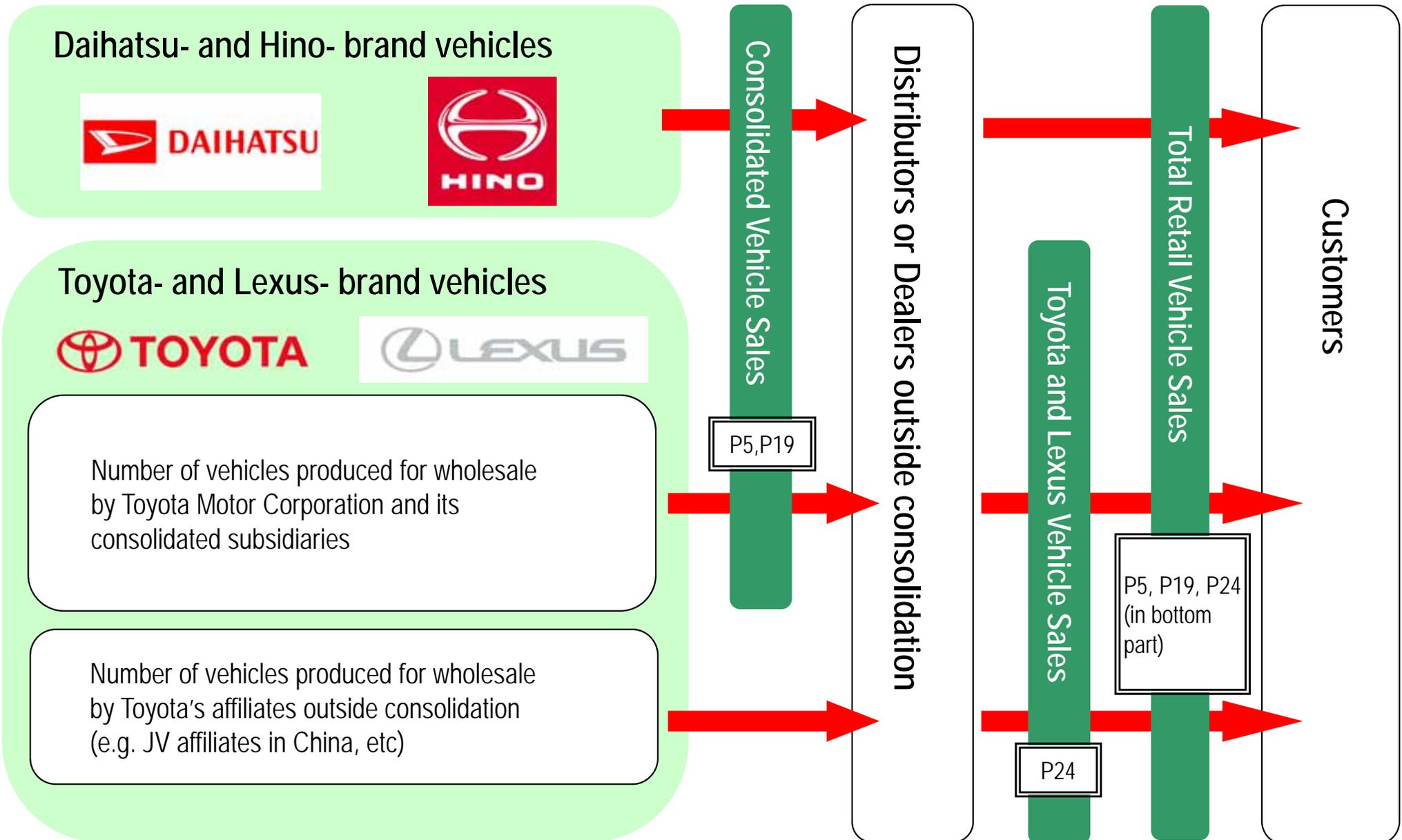
|   |                                    |          | FY2018 Forecasts<br>( <sup>'17/4-'18/3</sup> ) | FY2017 Results<br>( <sup>'16/4-'17/3</sup> ) |
|---|------------------------------------|----------|--|--|
| T<br>o<br>y<br>o<br>t<br>a<br>&<br>L<br>e<br>x<br>u<br>s                        | Vehicle Production <sup>*1</sup>   | Japan    | 3,150  | 3,188  |
|   |                                    | Overseas | 5,750  | 5,891  |
|   |                                    | Total    | 8,900  | 9,079  |
|   | Retail Vehicle Sales <sup>*2</sup> | Japan    | 1,550  | 1,636  |
|   |                                    | Overseas | 7,750  | 7,662  |
|   |                                    | Total    | 9,300  | 9,298  |
|   | Exports                            |          | 1,800  | 1,726  |
| Total Retail Vehicle Sales <sup>*2</sup><br>(Including Daihatsu- & Hino- brand) |                                    | 10,250   | 10,251   |  |

\*1 Including vehicle production by Toyota's affiliates outside consolidation

\*2 Including vehicle sales by Toyota's affiliates outside consolidation

(Reference)

# Definitions of Consolidated and Retail Vehicle Sales



\*There are a limited number of exceptional cases where sales are made other than in accordance with the flowchart above.